

Chair Boyle called the regularly scheduled meeting to order at 10:05 a.m. with Commissioners Boyle, Lowell Johnson, Landis and Vap present and Commissioner Rod Johnson excused at the beginning of the meeting.

GENERAL ADMINISTRATION

Notice was duly published May 6, 2003, on Page 7 of The Daily Record that the regular public meeting of the Commissioners of the Nebraska Public Service Commission would be held on May 13, 2003, at 10:00 a.m. in the Commission Hearing Room, 300 The Atrium, 1200 N Street, Lincoln.

Attention was called to the following proceedings:

Tuesday, May 13, 2003:

C-2872 Commission Hearing Room, Lincoln.
9:00 Great Plains Communications, Inc., Blair, seeking arbitration to resolve issues relating to an interconnection agreement with WWC License L.L.C., Issaquah, Washington:

NUSF-4 Commission Hearing Room, Lincoln.
2:00 The Commission, on its own motion, seeking to determine the level of the fund necessary to carry out the Nebraska Telecommunications Universal Service Fund Act to be effective fiscal year beginning July 1, 2003. Commissioner Boyle chairing.

Wednesday, May 14, 2003:

C-2872 Commission Hearing Room, Lincoln.
9:00 Great Plains Communications, Inc., Blair, seeking arbitration to resolve issues relating to an interconnection agreement with WWC License L.L.C., Issaquah, Washington:

Thursday, May 15, 2003:

B-1593 Commission Hearing Room, Lincoln.
10:00 Francoise Antoine, dba Bon Samaritan Transport, Lincoln, seeking authority as a common carrier in Nebraska intrastate commerce in the transportation of passengers between points in Lancaster County by van over irregular routes. To include the transportation of clients of the Nebraska Department of Health and Human Services. RESTRICTION: The transportation of railroad train crews and their baggage is not authorized. Commissioner Landis chairing.

COMMUNICATIONS DEPARTMENT

Cheryl Elton provided a report on telecommunications complaints received during the preceding month.

C-2846 In the Matter of the Petition from residents of the Creston exchange, served by Qwest Corporation, requesting extended area service (EAS) to the Columbus exchange, served by Citizens Telecommunications Company of Nebraska: Gene Hand distributed the notice of the public meeting to discuss extended area service between Creston and Columbus that Qwest will publish. The meeting was scheduled for May 21, 2003, at 7:00 p.m. at the Creston Fire Hall, Creston.

C-2648 In the Matter of the Petition of Nebraska Technology & Telecommunications, Inc., Omaha, seeking arbitration of the interconnection rates, terms and conditions with Aliant Communications Co., dba ALLTEL, Lincoln: Gene Hand reported that both parties have filed proposed orders and the matter will be on the May 20, 2003, agenda.

C-2780 In the Matter of Level 3 Communications, LLC, Broomfield, Colorado, seeking arbitration to resolve issues relating to an interconnection agreement with Qwest Communications, Denver, Colorado: Gene Hand informed the Commission that Level 3 Communications filed a motion for rehearing of the order entered April 22, 2003. An oral argument on the motion was scheduled for a date later to be determined.

C-2861/
DC-62 In the Matter of Maurice Gene Hand, Director, Communications Department, Nebraska Public Service Commission, Lincoln, vs. Advantage Telecommunications, Corp., Maitland, Florida, for suspect marketing practices and misrepresentations: Gene Hand discussed the response received from the Lustignam Firm, P.C. updating the Commission on problems identified. The staff informed the Commission that a conference call will be conducted to address issues further.

C-2872 In the Matter of Great Plains Communications, Inc., Blair, seeking arbitration to resolve issues relating to an interconnection agreement with WWC License L.L.C., Issaquah, Washington: Gene Hand discussed the response of WWC License L.L.C. to the amended petition for arbitration that Great Plains Communications, Inc. received on May 5, 2002.

C-2879 In the Matter of Stanton Telecom, Stanton, seeking approval for a boundary change of the Clarkson exchange served by Qwest Corporation: Upon agreement of all Commissioners present, the application was granted.

COMMUNICATIONS DEPARTMENT (Cont.)

Commissioner Rod Johnson entered the Commission Hearing Room.

C-2900 In the Matter of C III Communications Operations, LLC, Washington, D.C., seeking authority to operate as an inter-exchange carrier of telecommunications services within the State of Nebraska; and C III Communications, LLC; C III Communications Operations, LLC; BroadWing Communications Services, Inc.; and Broadwing Telecommunications, Inc., seeking a transfer of assets and customers: Commissioner Lowell Johnson moved to grant the application and Commissioner Vap seconded the motion. Commissioners Boyle, Lowell Johnson, Landis, and Vap voted aye and Commissioner Rod Johnson was present not voting. The motion passed and the application was granted.

C-2906 In the Matter of Telecommunications Cooperative Network (TCN), Boston, Massachusetts, seeking to voluntarily surrender the certificate of authority granted in Application C-2047: Upon agreement of all Commissioners, the application was granted.

C-2909 In the Matter of National Accounts, Inc., Denville, New Jersey, seeking to cancel the certificate of authority granted in Application C-1345: Upon agreement of all Commissioners, the application was granted.

C-2911 In the Matter of Telco Partners, Inc., Blue Bell, Pennsylvania, seeking to surrender the certificate of authority granted in C-1673: Upon agreement of all Commissioners, the application was granted.

C-2915 In the Matter of Digital Teleport, Inc., Chesterfield, Missouri, and CenturyTel Fiber Company II, L.L.C., Monroe, Louisiana, seeking authority for approval of the assignment of assets and authorization to provide telecommunications service: Upon agreement of all Commissioners, the application was granted.

C-2916 In the Matter of NOS Communications, Inc., Las Vegas, Nevada, seeking authority to do business as The Internet Business Association: Upon agreement of all Commissioners, the application was granted.

C-2920/
PI-72 In the Matter of the Commission, on its own motion, seeking to investigate interconnection options and procedures between Incumbent Local Exchange Carriers (ILECs) and Commercial Mobile Radio Service (CMRS) carriers: Gene Hand discussed the Western Wireless Corporation and AT&T Wireless Services, Inc. motion to close the docket: The motion will be set for oral argument and the due date for comments extended until 15 days from the date the Commission rules on the motion.

COMMUNICATIONS DEPARTMENT (Cont.)

C-2913 In the Matter of Exergy Group, L.L.C., Hialeah, Florida, seeking authority to operate as a resale common carrier of telecommunications services within the state of Nebraska: Upon agreement of all Commissioners, the application was granted.

C-2914 In the Matter of Global Communications Consulting Corp., Morganville, New Jersey, seeking authority for a Certificate of Public Convenience and Necessity to transact the business of a reseller of interexchange telecommunications services and for approval of its initial tariff: Upon agreement of all Commissioners, the application was granted.

C-2907 In the Matter of Blair Telephone Company, Blair, and AT&T Wireless Services, Redmond, Washington, seeking approval of an interconnection agreement: Upon agreement of all Commissioners, the agreement was approved.

C-2908 In the Matter of Blair Telephone Company, Blair, and Sprint Spectrum, L.P., Overland Park, Kansas, seeking approval of an interconnection agreement: Upon agreement of all Commissioners, the agreement was approved.

FC-1312 In the Matter of Michael J. Haller, Jr., Omaha, vs. Qwest, Denver, Colorado, alleging unsatisfactory business practices: A pre-hearing conference was set for May 28, 2003, at 3:00 p.m. CDT and a hearing for July 15, 2003, at 1:00 p.m., both in the Commission Hearing Room, Lincoln. Commissioner Rod Johnson was designated as the Hearing Officer.

Gene Hand informed the Commission that the fall Regional Oversight Committee (ROC) meeting will be held September 28-30, 2003, in Seattle, Washington.

Gene Hand provided a report on topics discussed at the Regional Oversight Committee (ROC) held in Denver, Colorado, from May 4-6, 2003.

Gene Hand discussed the Qwest press release announcing new simplified long distance rates in eleven states.

Gene Hand provided a Collaborative Aggregation Partnership (CAP) update.

Gene Hand discussed the news release regarding Qwest violations of the federal ban on providing in region long distance services prior to receiving Federal Communications Commission (FCC) authorization. The FCC entered into a consent decree with Qwest, in which Qwest has agreed to make a \$6.5 million payment to the United States Treasury.

COMMUNICATIONS DEPARTMENT (Cont.)

Engineering Department

E-1997 In the Matter of Norris Public Power District, Beatrice, seeking authority to construct, operate and maintain an electric transmission line in Lancaster County: Upon agreement of all Commissioners, the application was granted.

GAS PIPELINES

P-0006 In the Matter of Aquila, Inc., Omaha, seeking resolution of a dispute under Neb. Rev. Stat. ' 57-1306: A formal complaint and Motion for a Cease and Desist Order were received May 9, 2003. A hearing on the motion was set for May 29, 2003, at 9:00 a.m. CDT in the Commission Hearing Room, Lincoln. Commissioner Landis was designated as the Hearing Officer.

UNIVERSAL SERVICE FUND

C-1628/ In the Matter of the Commission, on its own motion, seeking NUSF to conduct an investigation into intrastate access charge P.O. #21 reform and intrastate universal service fund: Upon agreement of all Commissioners, an order was entered approving Elsie/ Dalton's request to change the calculations of their earnings and additionally, be granted a two-week extension of time for the submission of the NUSF-EARN form.

NUSF-34 In the Matter of the Commission, on its own motion, seeking to conduct an inquiry into the failure to accurately report information as set forth in Commission rules and regulations and Commission orders: Upon agreement of all Commissioners, approval was granted the NUSF Director to proceed with conducting True-up Data Requests of those companies exceeding the Commission's Nebraska Universal Service Fund Rules and Regulations, Section 003.04A.

C-1628/ In the Matter of the Commission, on its own motion, seeking NUSF to conduct an investigation into intrastate access charge reform and intrastate universal service fund: Jeff Pursley reviewed the request of Keystone/Arthur for an additional 30 days to file their NUSF-EARN form and distributed a copy of the Hearing Officer's Order dated May 7, 2003. He also discussed the receipt of EARN forms from all ILECs. Upon agreement of all Commissioners, all ILECs will be required to submit EARN forms.

Jeff Pursley discussed the progression of the electronic worksheet submission project. Upon agreement of all Commissioners, companies will be required to submit remittance worksheets electronically.

UNIVERSAL SERVICE FUND

Jeff Pursley discussed the compilation and updating of the Telecommunications Exchange Data Project. Upon agreement of all Commissioners, approval was granted to proceed with this project.

NUSF-33 In the Matter of the Commission, on its own motion, seeking to investigate the audit requirements related to the Nebraska Universal Service Fund: Jeff Pursley discussed the progression of finalizing the audit requirements in this proceeding and updated the Commission on the status of the receipt of those fines imposed.

NUSF-32 In the Matter of the Commission, on its own motion, seeking to conduct an inquiry into the failure of various companies to comply with Commission Orders and, at its own discretion, impose administrative fines against the named defendants: Jeff Pursley updated the Commission on the status of paid fines.

Jeff Pursley discussed the request for additional USF funding from Hershey Cooperative Telephone Company, Hershey.

Jeff Pursley discussed the request for additional USF funding from Glenwood Telephone Membership.

NUSF-26 In the Matter of the Commission, on its own motion, seeking P.O. #4 to establish a long-term universal service funding mechanism: Jeff Pursley provided a list of commentors who filed comments due May 9, 2003.

GRAIN WAREHOUSE DEPARTMENT

The following shortages were discussed:

GW-22 Wheat, soybeans, and sunflowers at Ag Valley Cooperative, Non-Stock, Edison

GW-279 Oats at Farmers Cooperative, Dorchester

GW-926 Corn and soybeans at Farmers Cooperative Company, Talmage

GW-181 In the Matter of John A. Fecht, Director, Warehouse Department, Complainant, Lincoln, vs. Lisco Elevator Incorporated, Lisco, Defendant: A Complaint, Order to Show Cause, and Order for Hearing were entered. Upon agreement of all Commissioners, a hearing was set for June 24, 2003, at 1:30 p.m. in the Commission Hearing Room, Lincoln. Commissioner Vap was designated as the Hearing Officer.

GRAIN WAREHOUSE DEPARTMENT (Cont.)

GW-199 In the Matter of National Fire Insurance Company of Hartford seeking cancellation of its Continuous Public Grain Warehouse Bond No. 159242597 in the amount of \$170,300.00, issued on behalf of Meyer & Meyer Grain, Randolph: The application was granted effective April 9, 2003.

GW-199 In the Matter of John A. Fecht, Director, Warehouse
GWC-384 Department, Complainant, Lincoln, vs. Meyer & Meyer Grain, Randolph, Defendant: A Complaint, Order to Show Cause, and Order for Hearing was entered. Upon agreement of all Commissioners, a hearing was set for June 24, 2003, at 1:30 p.m., in the Commission Hearing Room, Lincoln. Commissioner Rod Johnson was designated as the Hearing Officer.

GW-1921 In the Matter of Mackey Elevator, Inc, Omaha, seeking cancellation of its Grain Warehouse License: The application was granted effective April 21, 2003.

GW-1921 In the Matter of John A. Fecht, Director, Director, Grain
GWC-379 Warehouse Department, Complainant, Lincoln, vs. Mackey Elevator, Inc., Omaha, Defendant: An order was entered terminating the show cause proceeding and cancelling the license.

GW-2079 In the Matter of Custer Feed Products, Inc., Sargent, seeking cancellation of its Grain Warehouse License: The application was granted effective May 2, 2003.

GW-2154 In the Matter of Pride Grain LLC, Long Pine, seeking special rates and charges: Upon agreement of all Commissioners, an order was entered granting the rates.

Grain Dealer Division

Upon agreement of all Commissioners, the following applicants were granted a Grain Dealer License, subject to the fulfillment of all statutory requirements, for the license period ending June 30, 2003:

SECURITY

GD-2859	K & C Grain, Inc., Hadar,	\$150,000
GD-2861	Triple T Custom Farms Inc., Mitchell	\$ 35,000

Upon agreement of all Commissioners, the following applicant was granted a Grain Dealer License, subject to the fulfillment of all statutory requirements, for the license period ending December 31, 2003:

SECURITY

GD-2860	Huron Commodities Inc, Clinton, Ontario, Canada	\$49,000
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GRAIN WAREHOUSE DEPARTMENT (Cont.)

GD-1339 In the Matter of Wright-Lorenz Grain Co., Inc., Overland Park, Kansas, seeking cancellation of its Grain Dealer License: The application was granted.

GD-1572 In the Matter of Myron D. Korth dba K & C Grain, Hadar, seeking cancellation of his Grain Dealer License: The application was granted.

GD-2002 In the Matter of Roger L. Mosel dba Mosel's Feed & Trucking, Plainview, seeking cancellation of his Grain Dealer license: The application was granted effective May 6, 2003.

GD-2002 In the Matter of Employers Mutual Casualty Company seeking cancellation of its Continuous Grain Dealer Bond No. T20 94 28 in the amount of \$35,000,000, issued on behalf of Roger L. Mosel dba Mosel's Feed & Trucking, Plainview: The application was granted effective May 6, 2003.

GD-2773 In the Matter of John A. Fecht, Director, Warehouse
GDC-380 Department, Complainant, Lincoln, vs. Roberts Seed, Inc., Axtell, Defendant: A Complaint, Order to Show Cause, and Order for Hearing was entered. A hearing was set for June 24, 2003, At 1:30 p.m. in the Commission Hearing Room, Lincoln. Commissioner Vap was designated as the Hearing Officer.

GD-2814 In the Matter of Continental Casualty Company seeking cancellation of its Continuous Grain Dealer Bond #159 205 758 in the amount of \$150,000.00, issued on behalf of Colorado Sweet Gold, LLC, Johnstown, CO: The application was granted effective May 3, 2003.

GD-2830 In the Matter of Minnesota Corn Processors LLC, Columbus, seeking cancellation of its Grain Dealer license: The application was granted.

GD-2841 In the Matter of John A. Fecht, Director, Warehouse
GDC-382 Department, Complainant, Lincoln, vs. Ag Navigator, LLC, Bertrand, Defendant: A Complaint, Order to Show Cause, and Order for Hearing was entered. A hearing was set for June 24, 2003, at 1:30 p.m., in the Commission Hearing Room, Lincoln. Commissioner Vap was designated as the Hearing Officer.

HOUSING DEPARTMENT

HRV-001 In the Matter of the Commission, on its own motion, seeking to conduct an investigation into the manufactured home installation program (standards, training, licensing and inspection) and dispute resolution program and related issues: Upon agreement of all Commissioners, a workshop was set for July 10, 2003, at 9:30 a.m. in the Commission Hearing Room, Lincoln.

Commissioner Rod Johnson left the Commission Hearing Room, Lincoln.

TRANSPORTATION DEPARTMENT

B-1441 In the Matter of R & F Hobbies, Inc., dba Prince of the
Supp. 3 Road, Ravenna, seeking to acquire, through transfer, the
 authority granted to Roland G. Gressley, dba Aquila Limo
Service in Certificate B-1432: Upon agreement of all Commissioners
present, temporary authority was granted.

B-1554 In the Matter of DJW, Inc., dba Luxury Limousine Service,
Supp. 2 Syracuse, seeking to acquire, through transfer, the author-
 ity granted to Steven L. Gill, dba Cookies Limousine Ser-
vice, Beatrice, in Certificate B-1536: Upon agreement of all Commis-
sioners present, the application was granted and Certificate B-1536
revoked.

Commissioner Rod Johnson returned to the Commission Hearing Room.

B-1619 In the Matter of Kincaid Coach Lines, Inc., Edwardsville,
 Kansas, seeking to acquire, through transfer, the authority
granted to Good Life Transportation, Lincoln, in Certificate B-1447:
Commissioner Landis moved to grant the application and revoke Certi-
ficate B-1447 and Commissioner Vap seconded the motion. Commissioners
Boyle, Lowell Johnson, Landis, and Vap voted aye and Commissioner Rod
Johnson was present not voting. The motion passed and the application
was granted and Certificate B-1447 revoked.

M-14107 In the Matter of TTEMM, Inc., dba Two Men and a Truck,
Supp. 4 Omaha, seeking authority as a common carrier in Nebraska
 intrastate commerce in the transportation of household goods
by straight trucks between points within the state of Nebraska over
irregular routes: Upon agreement of all Commissioners, the applica-
tion was granted.

M-14173 In the Matter of Mark E. Finkral, dba MBM Moving Company,
 Lindsay, seeking authority as a common carrier in Nebraska
intrastate commerce in the transportation of household goods between
points in and within a 100 mile radius from Lindsay over irregular
routes: Upon agreement of all Commissioners, the application was
dismissed.

B-1608 In the Matter of Donald A. Cowette dba Run About, Lincoln,
 seeking authority as a common carrier of passengers, speci-
fically senior citizens, in open class service between points in
Lancaster County over irregular routes. To include the transportation
of Health and Human Services clients and their subcontractors thereof.
RESTRICTION: The transportation of railroad train crews and their
baggage is not authorized: A hearing was set for August 6, 2003, at
10:00 a.m. in the Commission Hearing Room, Lincoln. Commissioner
Landis will preside as Hearing Officer.

TRANSPORTATION DEPARTMENT (Cont.)

B-1591 In the Matter of WW Service, Inc., Yutan, seeking authority as a contract carrier of passengers for the Department of Defense in open class service between points in Nebraska over irregular routes by sedan and van. RESTRICTION: The transportation of railroad train crews and their baggage is not authorized: The video hearing previously set for May 8, 2003, was continued to June 16, 2003, at 1:30 p.m. in the Commission Library, Lincoln, and Nebraska State Office Building, Room 207, 2nd Floor, 1313 Farnam, Omaha. Commissioner Lowell Johnson will preside as Hearing Officer.

B-1615 In the Matter of Terry Lee Blakey, dba Need A Lift Transportation, Omaha, seeking authority as a common carrier in the transportation of passengers in open class service by van between points in Cass, Douglas, Sarpy and Washington Counties over irregular routes. To include the transportation of Health and Human Services clients. RESTRICTION: The transportation of railroad train crews and their baggage is not authorized: The hearing previously set for a date later to be determined was set for May 21, 2003, at 9:00 a.m. in Room 129, first floor, Nebraska State Office Building, 1313 Farnam, Omaha. Commissioner Boyle will preside as Hearing Officer.

In the Matter of suspensions of authority for household goods movers and passenger carriers intrastate Nebraska: Andy Pollock proposed a change in the Commission's practice in handling requests for suspensions of motor transportation certificates. Under the proposal, the Commission would continue the practice of one-year increments as the standard for suspension periods. First-year suspensions will be granted ordinarily as a matter of routine. Second-year suspensions, however, will be considered on a case-by-case basis. There will be no presumption that second-year suspensions will be granted or denied. The staff shall make a recommendation for disposition of each request for a second-year suspension and will support its recommendation with rationale. The Commission will consider the recommendation and then take action. The Commission approved the proposal without objection.

Rate Division

BR-286 In the Matter of Caring Network, Inc., Omaha, seeking authority to establish van rates for its use: Upon agreement of all Commissioners, the application was granted on an emergency basis.

MR-1011 In the Matter of National Motor Freight Traffic Association, Inc., Alexandria, Virginia, agent for and on behalf of participating carriers, seeking authority to place in effect on Nebraska intrastate traffic the provisions of Supplement 4 to the National Motor Freight Classification, NMF 100-AC: Upon agreement of all Commissioners, the application was granted on an emergency basis.

TRANSPORTATION DEPARTMENT (Cont.)

MR-930 In the Matter of Movers and Warehouse Division, Nebraska Motor Carriers Association, Lincoln, seeking authority to establish a fuel surcharge in Nebraska Official Household Goods Tariff 7-E: The fuel surcharge was decreased to 14 cents per mile and the taxi surcharge was retained at 20 cents per trip.

GENERAL ADMINISTRATION

Upon agreement of all Commissioners, the following invoices were approved:

DAS Materiel - Copy Services	\$ 2,237.58
Nebraska Retirement Systems	299.63
Commonwealth Electric Company	855.72
Data Source Media	273.94
Executive Travel	537.00
Hamilton	85,318.68
NARUC	250.00
Robert Bowman	794.12
Maurice Gene Hand	426.49
Fred Massing	907.37
Kent Pribyl	399.65

NEBRASKA EQUIPMENT DISTRIBUTION PROGRAM

Grand Island Hearing Aid Center	1,513.96
League of Human Dignity	1,817.90

Upon agreement of all Commissioners, Commission minutes for the month of April, 2003, were approved.

Upon agreement of all Commissioners, authorization was granted for John Fecht to travel to Chicago, Illinois, from May 20-21, 2003, to attend a meeting of the grain warehouse industry comprised of state, federal and private individuals to write a standard for the US Grain Merchandising Act.

Commissioner Vap moved that the Commission go into closed session to discuss personnel and litigation issues and Commissioner Landis seconded the motion. Upon agreement of all Commissioners, the Commission went into closed session at 11:55 a.m.

Commissioner Vap moved that the Commission return to open session and Commissioner Landis seconded the motion. Upon agreement of all Commissioners, the Commission returned to open session at 12:15 p.m.

The meeting adjourned at 12:15 p.m. with Commissioners Boyle, Lowell Johnson, Rod Johnson, Landis and Vap present. The next regularly scheduled meeting will be held on May 20, 2003, at 10:00 a.m. with an agenda to be available in the office of the Executive Director at 10:00 a.m. on May 19, 2003.

Chair

Executive Director